

FISCAL NOTE

HB 3693 - SB 3802

March 24, 2006

SUMMARY OF BILL: Revises medical malpractice damage provisions and modifies contingent fee caps, requirements for expert testimony and release of medical information. Plaintiffs in medical malpractice actions are required to file an affidavit of a licensed health care professional that provides at least one negligent act or omission that is the factual basis for each claim and post a \$10,000 bond per defendant if the lawsuit is dismissed or found to be without merit.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – If malpractice insurance premium rates are reduced, the TennCare program and the state health insurance plan could experience more moderate cost increases in the long term. If malpractice awards were decreased, some individuals in need of medical care could become eligible for TennCare.

Assumptions:

- The impact of medical malpractice award changes cannot be determined. Such changes may moderate the growth of malpractice insurance premium rates and savings to TennCare would depend upon the amount of savings passed on by providers.
- If awards were reduced, some persons with significant health care costs could spend down their income and become eligible for TennCare sooner than would otherwise occur. The number of such cases is estimated to not be significant.
- Any impact in caseloads for the state trial courts would not be significant and can be absorbed within existing judicial resources.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director